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TAGS: MARR MOPS PREL PARM NATO PINR US UP SUBJECT: UKRAINE: MANPADS FOR DESTRUCTION AND COUNTERMEASURES DEVELOPMENT -- FURTHER UPDATES

REF: A. KYIV 1104

1B. STATE 65709

¶C. KYIV 751

¶D. KYIV 210

__E. KYIV 163
_F. STATE 5539

Classified By: Political Counselor Kent Logsdon for reasons 1.4(b,c,d)

11. (S) Summary: Deputy Defense Minister Tereshchenko told visiting PM/WRA Deputy Director Steven Costner May 16 that the Ukrainian offer to provide 2,101 Man-Portable Air Defense System (MANPADS) missiles and 582 gripstocks (ref E) for the NATO PfP Trust Fund destruction project had been made in error. MoD would only be able to provide 382 Strela missiles and 197 gripstocks for destruction. Costner said the U.S. would not be able to contribute an additional \$2 million to the Trust Fund project for the destruction of larger caliber conventional munitions, since the additional funds had been in response to agreement on the destruction of the 2,101 missiles and not the significantly lower, new figure. Tereshchenko also confirmed the information transmitted ref A that the Ukrainian MoD would be unable to provide Igla or Igla-1 missiles for any purpose, but suggested unofficially that 140 such missiles, currently not in operational condition, might be overhauled sufficiently to meet U.S. testing purposes. He would discuss the possible transfer of the missiles with the Defense Minister and hoped to provide a follow-up in the form of a letter during the week of May 21. During a May 17 meeting, MFA Arms Control Director Belashov explained that a new Interdepartmental Commission for Military-Technical Cooperation and Export Control Policy had made the decision on April 12 not to sell or dispose of Igla and Igla-1 missiles until 2011. End summary.

A High-Level Decision

- ¶2. (U) PM/WRA Deputy Director Steven Costner, DOD official Jim Lake and Department of Homeland Security (DHS) Aircraft Protection Program Executive Doctor Herman Rediess, during a May 15-18 visit to Kyiv, met with Deputy Defense Minister Volodymyr Tereshchenko and separately with MFA Arms Control Department Director Volodymyr Belashov. Although Belashov's meeting occurred later, on May 17, his comments put Tereshchenko's into context and are provided first. MFA Arms Control Department Third Secretary Konstantin Ivashchenko was Belashov's notetaker.
- 13. (S) Belashov indicated that the written response provided to Embassy May 9 (ref A) of the Ukrainian government refusal of a U.S. request for a mixture of 500 Igla-1 and 1,000 Igla

MANPADS missiles for countermeasures development (ref D) had been the result of a high-level interagency meeting held April 12. (Note: In a March 6 decree, President Yushchenko reorganized the Committee for Military-Technical Cooperation and Export Control Policy, of which Belashov had been a member, into a higher-level Interdepartmental Commission for Military-Technical Cooperation and Export Control Policy. Belashov earlier told us the deputy ministers of the relevant ministries were members of the commission. The decree designated National Security and Defense Council (NSDC) First Deputy Secretary Valeriy Khoroshkovsky as the Commission's chairman (who has since resigned from his NSDC position) and subordinated the Commission to the NSDC. A news story noted the Commission would have particular responsibility to "handle proposals on maintaining, limiting, terminating, or restoring military and technical cooperation with other countries.")

14. (S) Belashov said he had a written statement of the Commission's decision, which, unfortunately, he was unable to provide to the visiting delegation. The Commission and the NSDC had decided not to transfer or dispose of any Igla or Igla-1 missiles until 2011 and had instructed MFA to so inform the U.S. He did not know why the limitation only applied until 2011. MFA helped coordinate on the issues of cooperation on MANPADS countermeasures development and the NATO PfP Trust Fund destruction project, but MoD had the lead on both; he implied that MoD had acted hastily and improperly in suggesting earlier that Igla and Igla-1 missiles were available. (Note: Belashov's further comments made clear that the paper he was drawing from was the same as the one that Embassy received May 9. He had just returned from the Joint Compliance and Inspection Commission, JCIC, meeting in Geneva, and so was unaware that the paper had already been passed. He reacted with a flash of anger directed at his

subordinate, Oleh Belokolos, when we said we thought we had received a copy. Belokolos later told us that he had satisfactorily justified his actions to Belashov.)

Walking Back an MOD Offer

- 15. (S) During the May 16 meeting with Tereshchenko, Costner reviewed MoD's support to the NATO PfP Trust Fund destruction project and deployed the points in ref B to urge MoD to respond positively to the U.S. request for MANPADS missiles for countermeasures development purposes. He stressed that the U.S. was prepared to consider a deal that included fewer than the 1,500 missiles requested. Rediess provided a detailed briefing on DHS efforts to reduce the terrorist threat of MANPADS to civil aviation.
- $\underline{\P}6$. (S) Tereshchenko said he had met May 15 with the military General Staff to get an update on the status of MoD's response to the U.S. requests. As a result of this input, he could clarify that MoD was prepared to provide 382 Strela missiles and 197 gripstocks for the NATO-PfP destruction project. When questioned, he said the Strela missiles were all that were available for destruction. Costner recalled that Tereshchenko had earlier offered to provide 2,101 missiles and 582 gripstocks for the destruction project, in return for which the U.S. had agreed to provide \$2 million to the project specifically to address Ukraine's priority for destruction of large-caliber munitions. Costner had been consulting extensively with the NATO Maintenance and Supply Agency to amend the original destruction project plans on the basis of this agreement. The reduced number of missiles for destruction could not justify the additional U.S. contribution, which would also not be pro-rated for the smaller figure.
- 17. (S) Tereshchenko weakly explained that the 2,101 missiles had been the number available for destruction and for commercial sale together, and that poor staff work had resulted in the misunderstanding that all the missiles could be provided for the destruction project. If the U.S. was interested in acquiring Strela MANPADS missiles (i.e., SA-7s

and SA-14s) on a commercial basis, MoD could provide the offer to the Cabinet of Ministers for its consideration. For now, however, no Igla-1 or Igla missiles (i.e., SA-16s or SA-18s) were available either for sale or destruction. He had met with the Defense Minister May 15 and would meet him again to report on the outcome of his meeting with Costner and his colleagues. Tereshchenko would urge the Defense Minister to reconsider the Ukrainian position on Igla and Igla-1 missiles.

- 18. (S) Stressing that he was speaking off-the-record and personally, Tereshchenko said MoD had 140 "Igla" (during the discussion, Tereshchenko seemed to be using Igla to refer to both Igla or Igla-1 missiles) that were in "category three" condition, or not operational. The missiles could be overhauled and put into operational condition. Tereshchenko asked for a written U.S. request for MANPADS missiles to be used as a basis for considering the option of providing the category three Iglas to the U.S. When Costner said such a written request had been provided by Ambassador Taylor to Defense Minister Hrytsenko shortly after Costner's last visit in January (ref D), Tereshchenko said he would have his staff locate the letter. He would meet with Hrytsenko and the Chief of the General Staff and hoped to provide a written response on the possible transfer of the 140 Igla missiles during the week of May 21. (Note: According to Belashov, final approval for such a transfer would not be up to Hrytsenko and/or the C hief of the General Staff alone, but would have to be approved by the Interdepartmental Commission for Military-Technical Cooperation and Export Control Policy, given the Commission's April 12 decision. End note.)
- 19. (S) Costner stated that he realized these were not easy decisions for the GOU, but stressed that the USG had intentionally made proposals that would be mutually beneficial: Regarding destruction, in return for the missiles the GOU would receive much needed funds to address its top priority for destruction larger caliber munitions. Regarding acquisition, the USG offered detailed briefings on our MANPADS countermeasures testing program, an invitation for Ukrainian representatives to attend live-fire tests at White Sands New Mexico in the fall, an exchange of exploitation data resulting from those tests, and an offer of a U.S. assessment of the vulnerability of aircraft departing

and leaving Boryspil airport to MANPADS attacks. Costner urged Tereshchenko and his colleagues to once more review the two proposals as joint cooperative efforts to address mutually beneficial goals.

Ukrainian Countermeasures Presentation

- 110. (C) Consistent with the offer made in late March (ref C), on May 17, the ADRON Research and Development Company, Ltd. hosted the U.S. delegation to provide a briefing on its "Adros" infrared countermeasures system for combating MANPADS launches. After the briefing and a detailed question and answer session, Costner made clear that U.S. experts would study the information, but that he could make no assurances regarding future consultations or potential purchases. (Note: The subsequent preliminary assessment by Dr. Rediess of DHS was that the Ukrainian system did not meet the more stringent requirements set forth for U.S. countermeasures systems. This position has not yet been provided to ADRON or GOU representatives, but likely will be communicated in the course of future MANPADS consultations. End note.)
- 111. (U) Visit Embassy Kyiv's classified website: www.state.sgov.gov/p/eur/kiev.
 Taylor